

FISCAL MEMORANDUM

HB 2172 – SB 2141

May 24, 2007

SUMMARY OF AMENDMENT (007955): Authorizes the creation of regional megasite authorities and provides the framework for the creation and operation of such authorities. Authorizes the issuance of bonds to fund activities of the authorities.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Govt. Expenditures - \$180,000/Permissive

Other Fiscal Impact – It is assumed that bonds will be issued to fund the activities of the authority. If \$200,000,000 in 30 year bonds were to be issued at a 6% interest rate, the debt service payments on such bonds is estimated to be approximately \$16,400,000 per year. It is further assumed that at some point in the future that any project funded by the authority will be sold at an amount substantially exceeding \$1,000,000.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- If multiple local governments choose to create such an authority, there will be an estimated cost of \$180,000 to hire an executive director, general counsel, and one additional individual for clerical support.
- If local governments choose to create such an authority, bonds would be issued to support the activities of the authority. The amount of such debt issuance will depend upon unknown factors including how many local governments choose to create such an authority, the location of the proposed megasites, the existing infrastructure near the megasites, and the size of the megasites.
- The amount such site will realize in a subsequent sale cannot be quantified.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

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